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LISTING STATEMENT NO. 2579

LISTED NOVEMBER 20, 1972
1,017,000 common shares without par value.
Stock Symbol NMA
Post Section 10

THE TORONTO STOCK EXCHANGE

LISTING STATEMENT

NOMA INDUSTRIES LIMITED

(a company incorporated under the laws of the Province of Ontario
by Letters Patent dated October 26, 1954)

CAPITALIZATION AS AT JULY 31, 1972 (1)

<u>Designation of Securities</u>	<u>Authorized</u>	<u>Issued and Outstanding</u>	<u>To be Listed</u>
SHARE CAPITAL			
Noma Industries Limited			
Common shares without par value	2,000,000	1,017,000	1,017,000
FUNDED DEBT			
Noma Lites Canada Limited			
Current secured bank loan		1,338,700	Nil
Loan due September 23, 1972		3,400	Nil
Cable-Tech Wire Company Limited			
Current secured bank loan		524,000	Nil
9½% Mortgage due September 1, 1991		309,826	Nil
Debenture		142,000	Nil
Term bank loan due December 15, 1976		380,000	Nil
Noma Displays Limited			
Current secured bank loan		144,000	Nil
Noma Realty Limited			
8% Mortgage due August 1, 1992		507,616	Nil
Beck Manufacturing, Inc. (80% Owned)			
Current secured bank loan		543,814	Nil
Term bank loan due December 31, 1976		374,720	Nil
Term bank loan due December 31, 1976		95,000	Nil
Minority Interest in Beck Manufacturing, Inc.		20,000	Nil

(1) After giving effect to the financing of the company completed in October, 1972, as more particularly hereafter referred to.

1. APPLICATION

Noma Industries Limited (the "Company") hereby makes application for the listing on The Toronto Stock Exchange of 1,017,000 common shares without par value in the capital of the Company, all of which shares are issued and outstanding as fully paid and non-assessable.

2. REFERENCE TO PROSPECTUS

Reference is made to the prospectus of the Company dated October 11, 1972, (the "Prospectus") with respect to the offering of 260,000 common shares without par value. A copy of the Prospectus is attached hereto and is hereby incorporated in this application and made a part thereof.

3. HISTORY AND NATURE OF BUSINESS

Reference is made to the heading "History" on Page 3 of the Prospectus and to the heading "Business of the Company" on Pages 3 through 6 of the Prospectus.

4. INCORPORATION

The Company was incorporated under the laws of the Province of Ontario by Letters Patent dated October 26, 1954, under the name of Beck Electric Manufacturing Company Limited with an authorized capital of 9,000 redeemable, 5% non-cumulative, non-participating preference shares with a par value of \$10 each and 1,000 common shares with a par value of \$10 each. By Articles of Amendment dated May 27, 1971, an additional 38,700 preference shares were created and the existing issued and unissued 1,000 common shares with a par value of \$10 each of the Company were changed and subdivided into 10,000 common shares without par value. By Articles of Amendment dated August 28 and 29, 1972, the name of the Company was changed to Noma Industries Limited and the authorized capital was changed and increased to \$3,000,000 consisting of 2,000,000 common shares without par value.

5. SHARES ISSUED DURING THE PAST 10 YEARS

<u>Date of Issue</u>	<u>No. of Shares (1)</u>	<u>Amount Realized Per Share (1)</u>	<u>Consideration Received</u>	<u>Purpose of Issue</u>
October 11, 1972	36,000	\$8.75	\$ 315,000	Reference is made to the heading "Prior Sales of Common Shares" on Page 10 of the Prospectus
October 26, 1972	260,000	\$8.23	\$2,139,800	Reference is made to the heading "Application of Proceeds" on Page 8 of the Prospectus

(1) The numbers and prices of the shares have been adjusted to give effect to the share capital of the Company as presently constituted.

6. STOCK PROVISIONS

Reference is made to the heading "Description of Common Shares" on Page 8 of the Prospectus.

7. DIVIDEND RECORD

Reference is made to the heading "Dividend Record" on Page 8 of the Prospectus.

8. PROPERTIES OF THE COMPANY

Reference is made to the subheading "Properties" on Page 6 of the Prospectus.

9. SUBSIDIARIES OF THE COMPANY

Attached hereto as an Appendix on Pages 5 and 6 is a list of the subsidiary companies of the Company.

10. FUNDED DEBT

The particulars of the funded debt of the Company can be found under the heading "Capitalization" on Page 7 of the Prospectus and in the financial statements of the Company commencing on Page 12 of the Prospectus.

11. OPTIONS

There are no options or other contracts of a like nature regarding any unissued shares or any issued shares held for the benefit of the Company.

12. LISTING

No securities of the Company are presently listed on any other stock exchange. Application, however, has been made to the Montreal Stock Exchange to list 1,017,000 common shares of the Company.

13. STATUS UNDER SECURITIES ACT

The offering of 260,000 common shares without par value of the Company was qualified for sale through registered securities dealers in the Provinces of Nova Scotia, New Brunswick, Québec, Ontario, Manitoba, Saskatchewan, Alberta and British Columbia in October, 1972.

14. FISCAL YEAR

The fiscal year of the Company ends on the 25th day of December in each year.

15. ANNUAL MEETINGS

The by-laws of the Company provide that the annual meeting of the Company shall be held at any place within Ontario on such day in each year and at such time as the board of directors may by resolution determine from time to time. The last annual meeting of the Company was held on April 13, 1972.

16. HEAD OFFICE AND OTHER OFFICES

The Company's head and principal office is located at 375 Kennedy Road, Scarborough, Ontario. The Company and its subsidiaries also maintain offices at:

10 Alcorn Avenue
Toronto, Ontario

500 Main Street
Stouffville, Ontario

350 Oakdale Road
Downsview, Ontario

375 Fairfield Avenue
Stamford, Connecticut
U.S.A.

17. REGISTRAR AND TRANSFER AGENT

The transfer agent and registrar for the common shares of the Company is the Montreal Trust Company at its head office, 15 King Street West, Toronto, Ontario, and at its principal offices in the Cities of Montreal, Winnipeg, Regina, Calgary and Vancouver.

18. TRANSFER FEE

No fee is charged on stock transfers other than the customary stock transfer tax.

19. AUDITORS

The Auditors of the Company are Touche, Ross & Company Limited, Chartered Accountants, 200 University Avenue, Toronto, Ontario.

20. DIRECTORS AND OFFICERS

The names in full and the home addresses of the directors and officers of the Company, together with their principal occupations within the five preceding years are as set out under the heading "Directors and Officers" on Pages 8 and 9 of the Prospectus.

21. CERTIFICATE

Pursuant to the resolution duly passed by its board of directors, Noma Industries Limited hereby applies for listing of the above-mentioned securities on The Toronto Stock Exchange and the undersigned officers hereby certify that the statements and representations made in this application and the documents submitted in support thereof are true and correct.

NOMA INDUSTRIES LIMITED



Per: "H. T. BECK",
President

Per: "R. A. KOEHLER",
Vice-President and Secretary

22. CERTIFICATE OF UNDERWRITER

To the best of our knowledge, information and belief, all the statements and representations made in this application and the documents submitted in support thereof are true and correct.

McLEOD, YOUNG, WEIR & COMPANY LIMITED

Per: "L. E. BARLOW"

DISTRIBUTION OF COMMON STOCK AS OF NOVEMBER 9, 1972.

<u>Number</u>								<u>Shares</u>
1	.....	Holders of	1	—	24	share	lots	20
81	.....	" "	25	—	99	" "		3,945
149	.....	" "	100	—	199	" "		15,950
75	.....	" "	200	—	299	" "		15,500
29	.....	" "	300	—	399	" "		8,950
16	.....	" "	400	—	499	" "		6,450
61	" "	500	—	999	" "		33,750
39	" "	1000	—	up	" "		932,435
<hr/>								
451		Shareholders				Total	shares	1,017,000
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This prospectus constitutes a public offering of these securities only in jurisdictions where these securities may be lawfully offered. No securities commission or similar authority in Canada has in any way passed upon the merits of the securities offered hereunder and any representation to the contrary is an offence.

New Issue

NOMA

NOMA INDUSTRIES LIMITED

260,000 Common Shares

(without par value)

The 260,000 common shares offered by this prospectus are unissued common shares being acquired by the Underwriter from the Company and are to be sold to the public. There is at present no market for the common shares and the price has been determined by negotiation between the Company and the Underwriter.

Applications have been made to list the common shares of the Company on The Toronto Stock Exchange and the Montreal Stock Exchange. Acceptance of the applications will be subject to the filing of required documents and evidence of satisfactory distribution, both within 90 days.

	Price to Public	Underwriting Discount	Proceeds to Company ⁽¹⁾
Per Share	\$8.75	\$0.52	\$8.23
Total	\$2,275,000	\$135,200	\$2,139,800

(1) Before deducting expenses of issue, estimated at \$50,000.

In the opinion of counsel, these common shares will be investments in which the Canadian and British Insurance Companies Act states that a company registered under Part III thereof may invest its funds without resorting to the provisions of subsection (4) of Section 63 of the said Act.

Price: \$8.75 per share

We, as principals, conditionally offer these 260,000 common shares, subject to prior sale, if, as and when issued by the Company and accepted by us in accordance with the conditions contained in the underwriting agreement referred to under the heading "Plan of Distribution" and subject to the approval of all legal matters on behalf of the Company by Messrs. Goodman & Goodman, Toronto, and on our behalf by Messrs. Shibley, Righton and McCutcheon, Toronto.

Subscriptions will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. It is expected that definitive share certificates will be available for delivery on or about October 26, 1972.

McLEOD, YOUNG, WEIR & COMPANY
LIMITED

TORONTO MONTREAL VANCOUVER WINNIPEG CALGARY EDMONTON OTTAWA HAMILTON LONDON
KITCHENER QUEBEC CITY WINDSOR HALIFAX REGINA VICTORIA SHERBROOKE KINGSTON
NEW YORK LONDON, ENGLAND PARIS, FRANCE

October 11, 1972

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THE COMPANY

Noma Industries Limited (the "Company") was incorporated as Beck Electric Manufacturing Company Limited under the laws of the Province of Ontario by letters patent dated October 26, 1954. Articles of amendment dated August 28, 1972 and August 29, 1972 which were issued to the Company, among other things, removed restrictions against the sale of its shares to the public and re-organized its share capital into the share capital described under the heading "Capitalization" on page 7. All references to the number of common shares of the Company have been adjusted to give effect to the share capital as presently constituted.

The Company carries on business directly and in association with Noma Lites Canada Limited ("Noma Lites"), Cable-Tech Wire Company Limited ("Cable-Tech"), Noma Displays Limited ("Noma Displays"), Noma Realty Limited ("Noma Realty") and Beck Manufacturing, Inc. ("Beck, Inc."). At the present time Noma Lites is a wholly-owned subsidiary of the Company and Cable-Tech and Beck, Inc. are 80% owned subsidiaries of the Company. The Company has agreed to acquire Noma Displays and Noma Realty as wholly-owned subsidiaries and the 20% minority interest in Cable-Tech. Reference is made to paragraphs 1, 2 and 3 under the heading "Interest of Management and Others in Material Transactions" on page 10. In this prospectus Noma Displays, Noma Realty and Cable-Tech are considered to be wholly-owned subsidiaries of the Company and the Company and its five subsidiaries are sometimes collectively referred to as the Company.

The head office and principal place of business of the Company is located at 375 Kennedy Road, Scarborough, Ontario.

HISTORY

In 1950 Mrs. Theresa Beck and her son, H. Thomas Beck, (the "Becks"), acquired the business of IlSCO Industries and, in 1953, that of Paramount Electric Company, both of which manufactured and sold electrical cord sets and Christmas light sets. In 1954 the Becks caused the Company to be incorporated to acquire and continue these businesses. In 1963 the Company acquired all of the shares of Noma Lites which was established in 1931 and was and continues to be actively engaged in the manufacture and sale of Christmas light string sets, Christmas trees and other decorative Christmas items.

In order to expand and diversify its operations the Company caused Cable-Tech to be incorporated in 1968 to manufacture and sell a full range of flexible insulated wire and cable. Similarly, in 1971, Beck, Inc. was incorporated in the State of Connecticut to manufacture Christmas light string sets for sale in the United States. Noma Realty was incorporated by the Becks in 1966 to acquire the property at 375 Kennedy Road, Scarborough upon which the Company's principal manufacturing plant is now situated. Reference is made to paragraph 1 under the heading "Interest of Management and Others in Material Transactions" on page 10. Noma Displays manufactures artificial Christmas trees. Reference is made to paragraph 3 under the heading "Interest of Management and Others in Material Transactions" on page 10.

In addition to the above mentioned subsidiaries the Company owns all of the issued shares of Noël Lighting Limited and 50% of the issued shares of Minden Nominees Limited, neither of which is material to the business of the Company.

BUSINESS OF THE COMPANY

Operations

The Company itself and through its subsidiaries is engaged in the design, manufacture and sale of Christmas decorative electrical and non-electrical products and a wide variety of other electrical wire products including flexible insulated wire and cable, cord sets, extension cords and electrical wiring harnesses. The manufacturing operations are vertically integrated in that they begin with materials in raw form (essentially copper rod, brass and resins) and end with a line of electrical products in substantially completed form.

Manufacturing operations are carried out at four plants in Ontario and one in the United States. The Company distributes its products to wholesalers, volume retailers and original equipment manufacturers throughout Canada and in the United States.

Historically the Company's business has been seasonal and, accordingly, financial results in the first half of the year have often been poor. For example, for the period December 26, 1970 to June 30, 1971 (referred to in

the financial statements on page 14) the Company suffered a loss of \$24,940. However, because of a greater emphasis on the sale of non-seasonal products the results of the first half of 1972 are much better than the results for the equivalent period in 1971.

Products

The Company manufactures and sells products both for individual consumer use and as electrical wiring components for original equipment and appliance manufacturers.

Consumer Products

The consumer products manufactured and distributed by the Company are Christmas light string sets, artificial Christmas trees, other decorative Christmas items, and extension cords, cord sets and flexible insulated wire and cable. These products, which constitute the majority of the Company's sales, are marketed under the trade name "Noma" on a national basis in Canada through major department stores, wholesalers, and hardware stores, including such volume merchandisers as Aikenhead's, Canadian Tire, Eaton's, Home Hardware Stores, Kresge's, Pro Hardware, Simpsons, Woodward's, Woolworth's and others.

Christmas Light Sets

Noma Lites manufactures indoor and outdoor Christmas light string sets and is the largest manufacturer and distributor of such products in Canada. A Christmas light string set consists of a length of insulated wire to which sockets for Christmas lamps are attached. The Company purchases such lamps and either installs them in its light sets or sells them as replacement lamps under the trade name "Noma".

Over a six year period the Company has developed a unique patented automated production system for manufacturing Christmas light string sets. This system has been used by the Company in Canada since 1971 and was installed by Beck, Inc. at its Stamford plant early in 1972. The unique feature of the system is its ability to mould lamp sockets and attach them to the wire in one operation thereby forming a finished "light string". The introduction of this system has improved product quality, increased production output and significantly reduced production costs. While the Company considers that this system provides it with a competitive advantage and does not consider that at present this advantage is being seriously challenged, it believes that it will not be materially adversely affected should any competitor develop a way to compete effectively with this system.

Through Beck, Inc., the Company began manufacturing and selling indoor and outdoor Christmas light string sets in the United States in early 1972. The patented production system described above has been installed in the Stamford plant and Beck, Inc. has purchased additional systems which will be installed in the spring of 1973. The output of Beck, Inc. is sold on a wholesale basis in the United States to firms which package Christmas light sets for sale under their own brand names.

Christmas Trees and Decorative Items

Noma Displays is one of the largest manufacturers in Canada of artificial Christmas trees. The trees are manufactured under an efficient unique mechanized production system.

Noma Lites manufactures a variety of electrical decorative Christmas products such as floodlight holders, candoliers, wreaths and "Decorlites" and distributes midget light sets under the trade name "Minilites".

Extension Cords and Cord Sets

Noma Lites manufactures and sells a complete line of electrical extension cords for household and industrial use and consumer replacement cord sets for home appliances. Noma Lites is the largest manufacturer of extension cords in Canada. In addition to its full range of conventional indoor and outdoor extension cords, Noma Lites also manufactures and sells special use cords for such items as appliances and block heaters. Cable-Tech manufactures flexible wire for distribution by the Company.

Components For Original Equipment Manufacturers

The Company manufactures various flexible wire products, appliance and electrical cords and wiring harnesses for direct sale to manufacturers in the electrical appliance and equipment industries.

Flexible Wire Products

Cable-Tech manufactures and sells an extensive line of flexible wire products under the trade name "Cable-Tech". Cable-Tech produces bare or tinned copper wire in a wide range of sizes with rubber, neoprene, plastic

or fibre-glass insulation. Cable-Tech purchases poly-vinyl chloride resin and other chemicals and operates a chemical division which processes these raw materials into various forms of plastic insulation. This division provides Cable-Tech with its full requirement of plastic insulating material.

The plant and production facilities for the manufacture of these flexible insulated wire products were designed by the Company and are considered by it to be among the most up to date in Canada. The plant is fully equipped to manufacture electrical wire products, beginning with the drawing of wire from copper rod and the compounding of plastic coating.

While a high proportion of Cable-Tech's production of flexible wire products is used by the Company in its manufacturing operations, an increasing amount is sold to outside customers which include Canadian Admiral, Canadian General Electric, Circle F, Electrohome, Honeywell, Hoover, IBM (Canada) and RCA Victor.

Appliance and Electrical Cords

Noma Lites manufactures and sells appliance, trailer, and power tool cords which are manufactured to specification on a contract basis. Such cords are used in the manufacture of washing machines, dryers, refrigerators, air conditioners, mobile homes and numerous small kitchen appliances such as toasters, electric irons and electric coffee percolators. Customers include Black & Decker, Canadian General Electric, Sunbeam and Westinghouse (Canada).

Electrical Wiring Harnesses

The Company is engaged in the manufacture and sale of electrical wiring harnesses (wire assembly units) and custom wire products, which are manufactured to specification for use by manufacturers of household appliances and as components in the sub-assembly of electronic business machines. Customers include Canadian General Electric, Hobart, Hoover, John Inglis, Westinghouse (Canada), Honeywell and IBM (Canada).

Sales and Distribution

The Company's sales to wholesale distributors, department stores and retail store organizations are made through its own national sales organization consisting of salaried sales personnel and, in the Maritime provinces, through independent manufacturers' representatives. The Company maintains regional sales offices and showrooms in Vancouver, Winnipeg, Toronto and Montreal and a sales office in Edmonton. Components for original equipment manufacturers are sold directly to such manufacturers primarily by the Company's experienced head office sales staff. The Company has such approvals from the Canadian Standards Association and the Underwriters Laboratories Inc. as it presently requires to sell its products in Canada and in the United States.

Management and Employees

The Company's senior management team consists of seven persons all of whom have had extensive experience in the manufacture of electrical wire products. Mrs. Theresa Beck, who was a co-founder of the Company, is the Chairman of the Board and remains active in the affairs of the Company. H. Thomas Beck, age 46, the other co-founder who is now President and Chief Executive Officer, and R. A. Koehler, age 38, who is the Executive Vice-President and Secretary of the Company and has been associated with it since 1956, have been primarily responsible for numerous important innovations in the Company's manufacturing facilities. S. Riemer, age 41, who is the President of Cable-Tech, has been with that company since its inception in 1968, and was primarily responsible for the design and construction of its production facilities. Mr. Riemer has had nineteen years' manufacturing and executive experience in the wire and cable industry. S. Jeruss, age 44, who is the President of Beck, Inc., has been with that company since its inception and prior thereto had twenty-two years' experience in the Christmas light industry in the United States. L. Lowenthal, age 60, who is General Manager of the Company's harness division, has been with the Company since 1962.

In addition to the persons referred to above who form the senior management team, the Company employs 350 persons of whom approximately 300 are engaged in manufacturing, 36 in administration and 14 in sales.

The Company is organized on a divisional basis whereby each subsidiary is responsible for its own production, quality control and profitability. The administrative and accounting functions and financial controls for the Company are centralized at its head office.

Properties

The Company operates five plants of which four are located in Ontario and one is located in Stamford, Connecticut. The following table sets forth certain information pertaining to these facilities:

<u>Address</u>	<u>Owned or Leased</u>	<u>Number of Square Feet</u>	<u>Occupied By</u>
10 Alcorn Avenue, Toronto, Ontario	Leased(1)	21,000	Harness Manufacturing Division
375 Kennedy Road, Scarborough, Ontario	Owned(2)	193,000	Noma Lites
350 Oakdale Road, Downsview, Ontario	Leased	32,000	Noma Displays
500 Main Street, Stouffville, Ontario	Owned(3)	54,000	Cable-Tech
375 Fairfield Avenue, Stamford, Connecticut	Leased	12,000	Beck, Inc.

- (1) Particulars of this lease are set out in paragraph 4 under the heading "Interest of Management and Others in Material Transactions" on page 10.
- (2) This property is located on a 7.41 acre site owned by the Company and is subject to a mortgage, particulars of which are set out in note 8 under the heading "Capitalization" on page 7. Reference is also made to paragraph 1 under the heading "Interest of Management and Others in Material Transactions" on page 10.
- (3) This property is located on a 4.1 acre site owned by Cable-Tech and is subject to a mortgage, particulars of which are set out in note 5 under the heading "Capitalization," on page 7. Cable-Tech has agreed to purchase an additional 10.5 acres adjacent to this property. Particulars of the purchase are set out in paragraph 6 under the heading "Material Contracts" on page 11.

The Company leases approximately 4,500 square feet of sales offices and showrooms as referred to under the heading "Sales and Distribution" on page 5. Reference is made to note 13 to the consolidated financial statements on page 18 for details of all lease obligations.

Research and Development

The Company conducts research programmes designed to develop new products and equipment used in its own production processes. This research and development has provided the Company with numerous product ideas and designs, including the patented production system referred to under the subheading "Christmas Light Sets" on page 4.

The Company is able to offer its customers research and product development services. It has a continuing program of product research and development and also utilizes outside independent experts. Cable-Tech maintains a fully equipped laboratory for research and development purposes.

Expansion

Due to an increased demand for its products the Company has substantially completed a 73,000 square foot addition to its main plant at 375 Kennedy Road, Scarborough, Ontario. The total cost of this addition is expected to be about \$550,000.

Cable-Tech has purchased an additional 10.5 acres of land, at a total cost of about \$150,000, immediately adjacent to its plant in Stouffville, Ontario, for the expansion at some future time of its flexible wire production facilities. In addition Cable-Tech has agreed to purchase additional equipment for installation in its existing plant which will substantially increase its present production capacity. Such additional equipment will cost Cable-Tech about \$150,000.

Beck, Inc. has agreed to purchase for installation in its Stamford, Connecticut plant additional production systems which will double its present production capacity for the manufacture of Christmas light string sets to be sold in the United States market. These systems will cost about \$680,000.

CAPITALIZATION

The following table sets forth the consolidated capitalization of the Company and its subsidiaries:

	Authorized or to be authorized	Outstanding as at June 30, 1972	Outstanding as at July 31, 1972	Outstanding as at July 31, 1972 after giving effect to this financing
CAPITAL STOCK				
<i>Noma Industries Limited</i>				
Common shares without par value ⁽¹⁾	2,000,000 shs.	721,000 shs. (\$2,060)	721,000 shs. (\$2,060)	1,017,000 shs. ⁽²⁾ (\$2,456,860)
INDEBTEDNESS				
<i>Noma Lites Canada Limited</i>				
Current secured bank loan ⁽³⁾		\$2,149,000	\$2,380,000	\$1,338,700
Loan due September 23, 1972 ⁽⁴⁾		5,100	3,400	3,400
<i>Cable-Tech Wire Company Limited</i>				
Current secured bank loan ⁽³⁾		410,600	524,000	524,000
91½% Mortgage due September 1, 1991 ⁽⁵⁾ ..		310,312	309,826	309,826
Debenture ⁽⁶⁾		142,000	142,000	142,000
Term bank loan due December 15, 1976 ⁽⁷⁾ ..		400,000	380,000	380,000
<i>Noma Displays Limited</i>				
Current secured bank loan ⁽³⁾		106,000	144,000	144,000
<i>Noma Realty Limited</i>				
8% Mortgage due August 1, 1992 ⁽⁸⁾		508,480	507,616	507,616
<i>Beck Manufacturing, Inc. (80% owned)</i>				
Current secured bank loan ⁽³⁾⁽⁹⁾		365,900	543,814	543,814
Term bank loan due December 31, 1976 ⁽⁹⁾⁽¹⁰⁾		374,720	374,720	374,720
Term bank loan due December 31, 1976 ⁽⁹⁾⁽¹¹⁾		95,000	95,000	95,000
Minority Interest in Beck Manufacturing, Inc. ⁽¹²⁾		20,000	20,000	20,000
Minority Interest in Cable-Tech Wire Company Limited ⁽¹³⁾		135,320	140,405	140,405

(1) After giving effect to articles of amendment dated August 28, 1972 and August 29, 1972 pursuant to which the authorized capital of the Company was changed by reclassifying 45,000 unissued preference shares with a par value of \$10.00 each into 45,000 unissued common shares without par value, by subdividing the unissued 52,940 common shares without par value into 1,279,000 unissued common shares without par value and by subdividing the 2,060 issued common shares without par value into 721,000 issued common shares without par value. In addition to the paid in capital, the Company had consolidated retained earnings of \$2,304,639 as at June 30, 1972.

(2) This figure includes 36,000 common shares to be issued to a senior officer of Cable-Tech as described under the heading "Prior Sales of Common Shares" on page 10.

(3) Current secured bank loans are secured by assignments of accounts receivable and inventories of the respective companies. The current secured bank loan to Cable-Tech is guaranteed up to \$150,000 by Noma Lites.

(4) This loan bears interest at the rate of 8% and is secured by chattel mortgages on certain equipment and machinery of Noma Lites and the Company and is guaranteed by the Company.

(5) This is a first mortgage secured by the land and building of Cable-Tech at Stouffville, Ontario. This loan is repayable in instalments of \$34,788 per annum and is guaranteed by Noma Lites.

(6) Reference is made to note 6(iv) to the financial statements on page 17 for particulars of this debenture.

(7) This term bank loan bears interest at ¾ of 1% over the bank prime rate and is secured by a first specific charge on certain machinery and equipment of Cable-Tech. This loan is repayable in instalments totalling \$80,000 per year.

(8) This is a first mortgage secured by the land and building at the Company's main plant and head office at 375 Kennedy Road, Scarborough, Ontario. Reference is made to note 6(vi) to the financial statements on page 17 for particulars of a proposed mortgage in the principal amount of \$1,250,000 which will replace this mortgage. The new mortgage will be guaranteed by Noma Lites.

(9) U.S. dollar conversions are at par which approximates the prevailing rate of exchange.

(10) Reference is made to note 6(ii) to the financial statements on page 17 for particulars of this loan.

(11) Reference is made to note 6(iii) to the financial statements on page 17 for particulars of this loan.

(12) Reference is made to note 1(a) to the financial statements on page 16.

- (13) Reference is made to paragraph 2 under the heading "Interest of Management and Others in Material Transactions" on page 10.
- (14) Subsequent to July 31, 1972, Beck, Inc. agreed to an additional term bank loan in the amount of \$520,400 in connection with the purchase of additional equipment. Reference is made to note 13(g) to the financial statements on page 19 for particulars of this loan.
- (15) Reference is made to note 13(a) to the financial statements on page 18 for details of lease obligations.
- (16) Outstanding purchase commitments of the Company and certain subsidiaries for machinery and equipment amounted to approximately \$900,000 at June 30, 1972.

APPLICATION OF PROCEEDS

The estimated net proceeds to be derived by the Company from the sale of the 260,000 common shares offered by this prospectus will be \$2,089,800, after deducting expenses of issue estimated at \$50,000. Approximately \$750,000 will be used to purchase all of the issued and outstanding common shares of Noma Realty and approximately \$298,500 will be used to purchase all of the issued and outstanding common shares of Noma Displays, as described in paragraphs 1 and 3, respectively, under the heading "Interest of Management and Others in Material Transactions" on page 10. The balance of the net proceeds will be added to working capital and will be used in the short term to reduce current bank indebtedness which was incurred for operating capital. Subsequently, approximately \$150,000 will be used by Cable-Tech to purchase equipment and an additional \$37,000 will be used by Cable-Tech to fund the cash portion of the purchase price of its additional lands. Beck, Inc. will use approximately \$268,000, being the cash required by it to purchase equipment and Noma Lites will use approximately \$70,000 to acquire equipment and provide shelving in its new building.

PLAN OF DISTRIBUTION

Pursuant to an underwriting agreement dated October 11, 1972, between the Company and McLeod, Young, Weir & Company Limited (the "Underwriter"), the Company has agreed to sell and the Underwriter has agreed to purchase not later than November 2, 1972, all but not less than all of the 260,000 common shares offered to the public hereby, at a price of \$8.23 per share, payable in cash to the Company against delivery of certificates, subject to the terms and conditions set forth in the said agreement. The obligations of the Underwriter under such agreement may be terminated at its discretion on the basis of its assessment of the state of the financial markets and also may be terminated upon the occurrence of certain stated events.

All the present shareholders of the Company have agreed with the Underwriter that for a period ending 180 days after the completion of the distribution of the 260,000 common shares offered to the public hereby they will not, without the prior written consent of the Underwriter, sell any of their shares of the Company.

DESCRIPTION OF COMMON SHARES

The holders of the common shares in the capital of the Company are entitled to one vote per share at all meetings of shareholders, to receive dividends thereon when and as declared by the board of directors and to share rateably in the net assets of the Company in the event of a dissolution or winding up. The Company has the right in certain circumstances to purchase its common shares in accordance with the provisions of The Business Corporations Act (Ontario). All common shares outstanding after completion of this financing will be issued as fully paid and non-assessable.

DIVIDEND RECORD

No dividends have been paid by the Company during its last five completed financial years. A dividend aggregating \$170,000 was paid to shareholders on April 26, 1972. Based on the common shares then outstanding as subsequently subdivided by articles of amendment dated August 29, 1972 this dividend amounts to \$.24 per common share. In the future, payment of dividends by the Company will be determined from time to time by the board of directors on the basis of the then prevailing financial circumstances, earnings, working capital requirements and other relevant factors.

DIRECTORS AND OFFICERS

<u>Name and Address</u>	<u>Office</u>	<u>Principal Occupation</u>
THERESA BECK..... 40 Poplar Plains Crescent Toronto, Ontario	Chairman of the Board... and Director	Executive of the Company and its subsidiaries
HENRY THOMAS BECK..... 248 Forest Hill Road Toronto, Ontario	President and Director....	Executive of the Company and its subsidiaries

<u>Name and Address</u>	<u>Office</u>	<u>Principal Occupation</u>
RUDOLPH AUGUSTUS KOEHLER..... 32 Fleming Drive Willowdale, Ontario	Vice-President, Secretary.. and Director	Executive of the Company and its subsidiaries
DONALD RAFELMAN..... 427 Richview Avenue Toronto, Ontario	Director.....	Senior Executive of Sunshine Uniform Group of Companies and Director of Work Wear Corporation
ANDREW ALLAN WEDD..... 32 Vesta Drive Toronto, Ontario	Director.....	President, Andrew Wedd & Company Limited
JOHANNES FRANCISCUS ANTONIUS JURRIUS, C.A... 161 Kingslake Road Willowdale, Ontario	Controller.....	Officer of the Company

All of the directors and officers have held their present business affiliations for the past five years except for Andrew A. Wedd, who prior to April 1972 was Vice President of Crawford Jenner Associates Limited and prior to June 1969 was an independent management consultant and prior to October 1968 was a management consultant with P. S. Ross & Partners; and Johannes F. A. Jurrius, who prior to April, 1970, was Controller of Ahd Music Corporation Limited. Donald Rafelman became a director of Work Wear Corporation in 1970.

Remuneration

The aggregate direct remuneration paid by the Company and its subsidiaries to the directors and senior officers of the Company was \$143,636 for the fiscal year ended December 25, 1971 and \$95,418 for the seven months ended July 31, 1972.

The estimated cost to the Company and its subsidiaries for the fiscal year ended December 25, 1971 of all pension benefits proposed to be paid in the aggregate under its pension plan, directly or indirectly, by the Company and its subsidiaries to the directors and senior officers of the Company in the event of retirement at normal retirement age is \$30,051.

PRINCIPAL HOLDERS OF COMMON SHARES

The number and percentage of issued and outstanding common shares of the Company owned of record or beneficially, directly or indirectly, by each person or company who owns of record or is known by the Company to own beneficially, directly or indirectly, more than 10% of the common shares of the Company as of August 30, 1972, are listed below together with such percentage after completion of this financing:

<u>Name and Address</u>	<u>Type of Ownership</u>	<u>Number of Shares</u>	<u>Percentage of Class</u>	
			<u>August 30, 1972</u>	<u>After Completion of This Financing(1)</u>
Henry Thomas Beck 248 Forest Hill Road, Toronto, Ontario	Record and beneficial	364,000	50.5 %	35.8 %
Theresa Beck Family Trust(2) 101 Richmond Street West, Toronto, Ontario	Beneficial	277,900	38.5 %	26.3 % (3)
Rudolph Augustus Koehler 32 Fleming Drive, Willowdale, Ontario	Record and beneficial	72,100	10.0 %	8.1 % (3)

(1) These percentages are calculated after giving effect to the issue of 36,000 common shares to Siegfried Riemer as described under the heading "Prior Sales of Common Shares" on page 10, and the sale of 10,000 common shares referred to in note (3) below.

(2) The holders of record (Henry Thomas Beck and Lionel Howard Schipper) are the Trustees for the Theresa Beck Family Trust and, as such, are entitled to vote the shares held by the Trust. The Trust was settled by Theresa Beck for the benefit of her grandchildren.

(3) Subsequent to August 30, 1972 the Theresa Beck Family Trust agreed to sell 10,000 common shares to Rudolph A. Koehler at a price of \$8.75 per share.

The directors and senior officers of the Company own beneficially, directly or indirectly, as a group in the aggregate 721,000 common shares, which represents 100% of all of the common shares of the Company issued as at August 30, 1972.

PRIOR SALES OF COMMON SHARES

On October 11, 1972, the Company agreed to issue 36,000 common shares at a price of \$8.75 per share to Siegfried Riemer, a senior officer of Cable-Tech.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

The following is a brief description and approximate amount of any interest, direct or indirect, of any director or senior officer or principal shareholder of the Company and their associates or affiliates in any transaction within the three years prior to the date of this prospectus, or in any proposed transaction which, in either case, has materially affected or will materially affect the Company:

1. Pursuant to an agreement dated as of August 31, 1972, the Company has agreed to acquire all of the issued and outstanding shares in the capital of Noma Realty from the Theresa Beck Family Trust, a principal holder of common shares of the Company, for \$750,000. The purchase price was determined by negotiation with the assistance of an opinion dated July 31, 1972 (and the detailed report attached thereto) prepared and signed by T. Ozog, Real Estate Appraiser, 1219 Ogden Avenue, Mississauga, Ontario. The opinion and report relate to the market value of the property at 375 Kennedy Road, Scarborough, Ontario, owned by Noma Realty and referred to under the heading "Properties" on page 6.
2. Pursuant to an agreement dated as of May 29, 1972, Noma Lites has agreed to acquire the remaining 20% of the issued and outstanding common shares in the capital of Cable-Tech from Siegfried Riemer for \$312,500. The purchase price was determined by negotiation between the parties. Immediately prior to this transaction Cable-Tech will redeem at par preference shares having an aggregate par value of \$35,000 owned by Mr. Riemer. As a result of these transactions the Company will be the beneficial owner of all the issued and outstanding shares of Cable-Tech. Mr. Riemer is a senior officer of Cable-Tech and reference is made to the heading "Prior Sales of Common Shares" on page 10.
3. Pursuant to an agreement dated as of August 31, 1972, the Company has agreed to acquire all of the issued and outstanding shares in the capital of Noma Displays from Mary Beck (as to 90%) and Rita Koehler (as to 10%) for \$298,500. The purchase price was determined by negotiation with the assistance of a valuation of the shares of Noma Displays dated September 25, 1972 prepared by Touche Ross & Co., Chartered Accountants, 200 University Avenue, Toronto, Ontario. Mary Beck and Rita Koehler are the wives of H. Thomas Beck and R. A. Koehler, respectively.
4. The Becks own the lands and building at 10 Alcorn Avenue, Toronto, Ontario. The building comprises approximately 83,000 square feet of space on three floors. By a lease made the 1st day of July, 1959 the Becks leased the entire premises to the Company. Subsequently the Company sublet portions of the premises to other subtenants but the Company presently occupies only approximately 21,000 square feet of space. By an agreement made as of December 26, 1971 between the Company and the Becks the Company agreed to surrender the lease to the Becks and the Becks agreed to enter into a new lease with the Company of the said 21,000 square feet now occupied by the Company for a term of 8½ years at a rental of \$1.25 per square foot per annum.
5. From time to time during the past three years, the Company and its subsidiaries have advanced funds to, and borrowed funds from, directors, senior officers and shareholders of the Company and their associates. In most cases interest has been paid or agreed to be paid at prevailing bank rates.

MATERIAL CONTRACTS

Except for contracts entered into in the ordinary course of business the only contracts entered into by the Company or its subsidiaries within the two years prior to the date hereof which can reasonably be regarded as presently material to the purchasers of the common shares offered hereby are the following:

1. The agreement to purchase the shares of Noma Realty referred to in paragraph 1 under the heading "Interest of Management and Others in Material Transactions" on page 10.

2. The agreement to purchase 20% of the shares of Cable-Tech referred to in paragraph 2 under the heading "Interest of Management and Others in Material Transactions" on page 10.
3. The agreement to purchase the shares of Noma Displays referred to in paragraph 3 under the heading "Interest of Management and Others in Material Transactions" on page 10.
4. The agreement between the Company and the Becks referred to in paragraph 4 under the heading "Interest of Management and Others in Material Transactions" on page 10.
5. The underwriting agreement referred to under the heading "Plan of Distribution" on page 8.
6. An offer to purchase dated June 9, 1972, pursuant to which Cable-Tech agreed to purchase a 10.5 acre site from The Roman Catholic Episcopal Corporation, Diocese of Toronto for \$150,000.
7. An employment agreement dated as of August 11, 1971 pursuant to which Beck, Inc. employed S. Jeruss as the President of Beck, Inc. for a term of 3 years at a minimum annual salary of \$35,000 beginning January 1, 1972.
8. The Company has entered into agreements for the purchase of equipment at a total cost to the Company of about \$1,250,000. This equipment is referred to under the heading "Expansion" on page 6. Some of the equipment has already been delivered and installed and is in use.

With the exception of the agreements referred to in paragraph 8 above, the foregoing agreements or copies thereof may be examined during ordinary business hours at the head office of the Company, 375 Kennedy Road, Scarborough, Ontario, during the period of distribution to the public under this prospectus of the common shares offered hereby and for a period of thirty days thereafter.

PENDING LEGAL PROCEEDINGS

Noma Lites, as plaintiff, is engaged in litigation presently pending before the United States District Court for the District of Columbia against Belden Corporation and others, as defendants, with respect to the infringement of certain United States and Canadian patents owned by Noma Lites. Belden Corporation has filed a counterclaim against Noma Lites for alleged infringements of patents owned by Belden Corporation. The Company has been informed by its United States counsel that counsel does not believe Belden Corporation will succeed in its counterclaim.

In September 1971, Tinsel Manufacturing Limited, as plaintiff, instituted an action in the Supreme Court of Ontario against Noma Lites, as defendant, for an alleged infringement of certain Canadian patents of the plaintiff. The Company has been informed by its counsel that Noma Lites has a good defence to such action.

AUDITORS

The auditors of the Company are Touche Ross & Co., Chartered Accountants, 200 University Avenue, Toronto, Ontario.

REGISTRAR AND TRANSFER AGENT

The registrar and transfer agent for the common shares of the Company is Montreal Trust Company at its principal offices in the Cities of Vancouver, Calgary, Regina, Winnipeg, Toronto and Montreal.

NOMA INDUSTRIES LIMITED
and Subsidiary Companies

Consolidated Balance Sheets and Pro Forma Consolidated Balance Sheet

Note 1(a)

ASSETS

	Pro Forma June 30, 1972 <hr/> (unaudited) (Note 2)	June 30, 1972 <hr/> (unaudited)	December 25, 1971 <hr/>
Current			
Cash (Note 3).....	\$ 34,166	\$ 21,420	\$ 408,957
Advances to directors, officers and shareholders.....	58,718	58,718	45,093
Loans to affiliated companies.....	—	19,862	182,657
Accounts and notes receivable.....	986,431	985,975	1,800,269
Deposits with suppliers.....	—	—	386,837
Inventories, at the lower of cost and net realizable value.....	4,066,582	3,959,679	1,613,473
Sundry assets and prepaid expenses.....	176,491	150,500	62,052
	<hr/> 5,322,388	<hr/> 5,196,154	<hr/> 4,499,338
Investment—shares, at cost at December 25, 1971, at written down value at June 30, 1972 (Note 11).....	<hr/> 1,642	<hr/> 1,642	<hr/> 26,000
	5,324,030	5,197,796	4,525,338
Fixed			
Property, plant and equipment and leasehold improvements, at cost— less accumulated depreciation and amortization (Note 4).....	4,577,423	2,480,872	2,398,100
Patents, at cost—less accumulated amortization (June 30, 1972—\$31,864; December 25, 1971—\$28,835).....	69,060	69,060	72,089
Deferred development costs—less accumulated amortization (Note 5)....	146,366	146,366	161,899
Deferred financing and organization costs—less accumulated amortization	147,457	96,991	25,911
Excess of cost over net book value of subsidiaries at date of acquisition....	360,455	—	—
	<hr/> <hr/> \$10,624,791	<hr/> <hr/> \$7,991,085	<hr/> <hr/> \$7,183,337

On behalf of the Board:

(Signed) H. T. BECK, Director

(Signed) R. KOEHLER, Director

NOMA INDUSTRIES LIMITED
and Subsidiary Companies

Consolidated Balance Sheets and Pro Forma Consolidated Balance Sheet

Note 1(a)

LIABILITIES

	Pro Forma June 30, 1972 <u>(unaudited)</u> (Note 2)	June 30, 1972 <u>(unaudited)</u>	December 25, 1971 <u></u>
Current			
Bank indebtedness, secured.....	\$ 1,933,508	\$2,925,500	\$1,127,000
Loans from directors, officers and shareholders.....	175,462	84,669	28,477
Loans payable.....	29,818	29,818	40,412
Loans from affiliated companies.....	—	94,960	93,692
Accounts payable and accrued liabilities.....	929,483	858,242	1,413,062
Income and other taxes payable (prepaid).....	(35,196)	(15,791)	348,613
Current portion of long-term debt.....	203,000	184,000	205,302
	<u>3,236,075</u>	<u>4,161,398</u>	<u>3,256,558</u>
Deferred income taxes.....	204,685	196,136	235,336
Long-term debt (Note 6).....	2,374,132	1,143,132	1,103,050
Minority interests in subsidiaries.....	20,000	155,320	135,647
	<u>5,834,892</u>	<u>5,655,986</u>	<u>4,730,591</u>

SHAREHOLDERS' EQUITY

Capital stock (Note 7)			
Issued and fully paid common shares.....	\$ 2,456,860	\$ 2,060	\$ 2,060
Surplus			
Contributed surplus (Note 8).....	28,400	28,400	28,400
Retained earnings.....	2,304,639	2,304,639	2,422,286
	<u>2,333,039</u>	<u>2,333,039</u>	<u>2,450,686</u>
	<u>4,789,899</u>	<u>2,335,099</u>	<u>2,452,746</u>
	<u>\$10,624,791</u>	<u>\$7,991,085</u>	<u>\$7,183,337</u>

NOMA INDUSTRIES LIMITED
and Subsidiary Companies

Consolidated and Combined Statement of Earnings
(Note 1)

	Period December 26, 1971 to June 30, 1972 (unaudited)	Period December 26, 1970 to June 30, 1971 (unaudited)	Eleven months ended December 25, 1971 (Note 9)	Years ended January 31,		
				1971	1970	1969
Sales.....	\$3,271,752	\$1,940,639	\$8,966,042	\$7,451,336	\$7,508,569	\$6,885,908
Earnings before the undernoted items.....	\$ 430,389	\$ 96,832	\$1,389,931	\$ 982,284	\$ 941,943	\$ 756,114
Interest on long-term debt.....	43,570	29,884	62,002	69,943	74,352	70,288
Depreciation and amortization (Note 10a).....	165,794	119,183	216,289	226,865	170,136	91,745
Income taxes.....	106,155	(27,550)	560,217	347,380	358,520	298,106
Earnings (loss) for the period, before extraordinary item.....	114,870	(24,685)	551,423	338,096	338,935	295,975
Extraordinary item (Note 11).....	24,358	—	—	—	—	—
Net earnings (loss) for the period.....	\$ 90,512	(\$ 24,685)	\$ 551,423	\$ 338,096	\$ 338,935	\$ 295,975
Earnings (loss) per share before extraordinary item (Note 12).....	16¢	(3¢)	76¢	47¢	47¢	41¢
Earnings (loss) per share after extraordinary item (Note 12).....	12¢	(3¢)	76¢	47¢	47¢	41¢

Consolidated Statement of Earnings
(Note 1)

	Period December 26, 1971 to June 30, 1972 (unaudited)	Period December 26, 1970 to June 30, 1971 (unaudited)	Eleven months ended December 25, 1971 (Note 9)	Years ended January 31,		
				1971	1970	1969
Sales.....	\$3,271,047	\$1,938,176	\$8,957,693	\$7,379,410	\$7,412,712	\$6,824,099
Earnings before the undernoted items.....	\$ 432,843	\$ 85,205	\$1,243,562	\$ 829,611	\$ 800,798	\$ 657,635
Interest on long-term debt.....	19,769	9,001	23,783	23,079	22,704	14,024
Depreciation and amortization (Note 10b).....	144,528	98,551	178,451	183,229	127,052	54,340
Income taxes.....	132,235	(11,425)	545,031	332,080	348,420	296,356
Earnings (loss) for the period before extraordinary item and minority interest.....	136,311	(10,922)	496,297	291,223	302,622	292,915
Minority shareholders' interest.....	29,600	14,018	41,080	17,575	4,872	—
Extraordinary item (Note 11).....	24,358	—	—	—	—	—
Net earnings (loss) for the period.....	\$ 82,353	(\$ 24,940)	\$ 455,217	\$ 273,648	\$ 297,750	\$ 292,915
Earnings (loss) per share before extraordinary item (Note 12).....	15¢	(3¢)	63¢	38¢	41¢	41¢
Earnings (loss) per share after extraordinary item (Note 12).....	11¢	(3¢)	63¢	38¢	41¢	41¢

NOMA INDUSTRIES LIMITED
and Subsidiary Companies

Consolidated Statement of Retained Earnings
(Note 1)

	Period December 26, 1971 to June 30, 1972 (unaudited)	Period December 26, 1970 to June 30, 1971 (unaudited)	Eleven months ended December 25, 1971 (Note 9)	Years ended January 31,		
				1971	1970	1969
Balance at beginning of the period.....	\$2,422,286	\$1,989,293	\$1,967,069	\$1,693,421	\$1,395,671	\$1,102,756
Net earnings (loss) for the period.....	82,353	(24,940)	455,217	273,648	297,750	292,915
Cash dividends on common shares including tax paid (\$30,000) on undistributed income.....	200,000	—	—	—	—	—
Balance at end of the period.....	<u>\$2,304,639</u>	<u>\$1,964,353</u>	<u>\$2,422,286</u>	<u>\$1,967,069</u>	<u>\$1,693,421</u>	<u>\$1,395,671</u>

Consolidated Statement of Contributed Surplus
(Note 1)

	Period December 26, 1971 to June 30, 1972 (unaudited)	Period December 26, 1970 to June 30, 1971 (unaudited)	Eleven months ended December 25, 1971 (Note 9)	Years ended January 31,		
				1971	1970	1969
Balance at beginning of the period.....	\$ 28,400	\$ 14,200	\$ 14,200	\$ —	\$ —	\$ —
Additions (Note 8).....	—	—	17,750	17,750	—	—
Minority shareholders' interest.....	—	—	3,550	3,550	—	—
Balance at end of the period.....	<u>\$ 28,400</u>	<u>\$ 14,200</u>	<u>\$ 28,400</u>	<u>\$ 14,200</u>	<u>\$ —</u>	<u>\$ —</u>

NOMA INDUSTRIES LIMITED
and Subsidiary Companies

Notes to the Financial Statements

1. Principles of consolidation and combination

- (a) The consolidated financial statements include the accounts of Noma Lites Canada Limited, a wholly-owned subsidiary, and Cable-Tech Wire Company Limited and Beck Manufacturing Inc., both 80% owned subsidiaries.

All significant inter-company transactions have been eliminated.

Cable-Tech Wire Company Limited and Beck Manufacturing Inc. commenced operations in June 1969 and February 1972, respectively. Noël Lighting Limited, a wholly-owned subsidiary, has been inactive throughout the entire period covered by these statements and has no assets or liabilities.

Assets and liabilities in foreign currencies have been converted to Canadian dollars at the rates prevailing at the dates of the respective statements.

- (b) The consolidated and combined statement of earnings includes, in addition to the accounts of the subsidiaries referred to in (a) above, the accounts of Noma Displays Limited and Noma Realty Limited and reflects the proposed acquisition of the 20% minority interest in Cable-Tech Wire Company Limited.
- (c) Consolidated and combined statements of retained earnings and contributed surplus have not been included, since the earnings of Noma Displays Limited and Noma Realty Limited and the earnings and contributed surplus attributed to the minority interest in Cable-Tech Wire Company Limited, prior to acquisition, will not form part of the consolidated retained earnings and contributed surplus of Noma Industries Limited.

2. Pro-forma consolidated balance sheet

The pro-forma consolidated balance sheet gives effect as at June 30, 1972 to the following transactions:

- (a) Issue and sale of 260,000 common shares without par value for an aggregate consideration of \$2,139,800, net of underwriting discount.
- (b) Issue and sale of 36,000 common shares without par value to a senior officer of the company for an aggregate consideration of \$315,000.
- (c) Payment of costs estimated at \$324,000 to complete construction of an extension to existing facilities by Noma Realty Limited and obtaining an additional mortgage in the amount of \$741,520.
- (d) Proposed acquisition of:
- (i) All the outstanding common shares of Noma Displays Limited for \$298,500 cash.
 - (ii) All the outstanding common shares of Noma Realty Limited for \$750,000 cash.
 - (iii) The minority interest in Cable-Tech Wire Company Limited for \$312,500 cash.
- The acquisition of the subsidiaries has been reflected using "purchase accounting".
- (e) Redemption at par of preference shares in Cable-Tech Wire Company Limited having an aggregate par value of \$35,000.
- (f) Payment of issue expenses estimated at \$50,000.
- (g) Reduction of current bank indebtedness by \$1,426,348, after giving effect to the foregoing transactions.

3. Cash

Included in this item at December 25, 1971, are funds of a subsidiary company in the amount of \$212,760 which were not available for operating purposes under the terms of an agreement in respect of the purchase of machinery.

4. Property, plant and equipment and leasehold improvements

	Pro forma June 30, 1972	June 30, 1972	December 25, 1971
Buildings, plant and equipment and leasehold improvements, at cost...	\$5,144,158	\$3,185,092	\$3,058,803
Less accumulated depreciation and amortization.....	979,349	747,834	704,317
	4,164,809	2,437,258	2,354,486
Land, at cost.....	412,614	43,614	43,614
	<u>\$4,577,423</u>	<u>\$2,480,872</u>	<u>\$2,398,100</u>

Depreciation on the buildings of Noma Realty Limited is provided on the declining balance method.

In all other cases, depreciation is provided on the straight line method (on the basis of the net book value at February 1, 1968, of assets acquired before that date and the cost of assets acquired subsequent to that date).

These methods have been employed in a manner that is intended to extinguish the cost of the assets over their estimated useful lives.

5. Deferred development costs

Included in the deferred development costs is a contribution of \$150,000 received in 1970 from the Department of Industry of Canada under the Program for the Advancement of Industrial Technology in connection with the development and acquisition of a prototype machine for a total cost of approximately \$353,000. These costs are being amortized at the rate of 15% per annum on a straight-line basis. The contribution may be repayable in whole or in part if the prototype machine is sold or transferred to commercial use within a period of ten years.

6. Long-term debt

	Pro forma June 30, 1972	June 30, 1972	December 25, 1971
Industrial Development Bank 8% due 1972.....	\$ 5,100	\$ 5,100	\$ 15,300
Department of Industry 5½%.....	—	—	21,102
Term bank loans			
due December 15, 1976 (i).....	400,000	400,000	400,000
due December 31, 1976 (ii).....	374,720	374,720	416,320
due December 31, 1976 (iii).....	95,000	95,000	—
Ontario Development Corporation—interest free forgivable loan (iv)...	142,000	142,000	142,000
9½% Mortgage (v).....	310,312	310,312	313,630
8¾% Mortgage (vi).....	1,250,000	—	—
Total.....	\$2,577,132	\$1,327,132	\$1,308,352
Less current portion.....	203,000	184,000	205,302
	<u>\$2,374,132</u>	<u>\$1,143,132</u>	<u>\$1,103,050</u>

(i) Interest at ¾ of 1% above prime interest rate

Repayable in instalments totalling \$80,000 per annum. Secured by a specific mortgage on certain machinery and equipment of Cable-Tech Wire Company Limited.

(ii) Payable in United States Dollars

Interest at ¾ of 1% above New York prime interest rate (maximum 9¾%).

Repayable in instalments totalling \$104,000 per annum.

Under the terms of this loan the company is required to keep on deposit in a security agreement account, an amount equal to 20% of the outstanding balance of the loan.

	June 30, 1972	December 25, 1971
Loan outstanding.....	\$468,400	\$520,400
Security deposit.....	93,680	104,080
Net.....	<u>\$374,720</u>	<u>\$416,320</u>

(iii) Payable in United States Dollars

Interest at ¾ of 1% above New York prime interest rate.

Guaranteed by Noma Lites Canada Limited.

Repayable in semi annual instalments as follows:

\$5,000 to December 31, 1973; \$12,500 June 30, 1974 to December 31, 1975; and \$15,000 June 30, 1976 and December 31, 1976.

(iv) Secured by a specific mortgage on certain machinery and equipment and a floating charge on other assets of Cable-Tech Wire Company Limited and guaranteed by Noma Lites Canada Limited. (Note 8)

(v) Mortgage on real property.

9½% due September 1, 1991, repayable \$34,788 per annum including principal and interest.

(vi) An application for a mortgage of \$1,250,000 on 375 Kennedy Road property has been made and accepted. The mortgage has been arranged at 8¾% for a twenty year term, repayable \$131,136 per annum including principal and interest. The proceeds will be advanced when the addition presently under construction is completed and will be used to refinance an existing mortgage (June 30, 1972—\$508,480) and repay an existing bank loan (June 30, 1972—\$313,000) used for interim financing. The balance will be used for general operating purposes. (Note 2(c)). The new mortgage will be guaranteed by Noma Lites.

The annual payments required over the next five years to meet the long-term debt obligations on the pro forma basis are:

1972.....	\$203,000
1973.....	204,700
1974.....	221,100
1975.....	225,700
1976.....	234,700

7. Capital stock

At December 25, 1971 and June 30, 1972 the authorized capital of the Company was:

45,000 5% non-cumulative preference shares with a par value of \$10 each.

10,000 common shares without par value,

of which 2,060 common shares were issued and outstanding.

After giving effect to articles of amendment dated August 28, 1972 and August 29, 1972, the authorized capital was changed by:

(a) reclassifying the 45,000 preference shares into 45,000 common shares without par value;

- (b) subdividing the 52,940 unissued common shares without par value into 1,279,000 unissued common shares without par value; and
- (c) subdividing the 2,060 issued common shares without par value into 721,000 issued common shares without par value.

8. Contributed surplus

Pursuant to an agreement between Cable-Tech Wire Company Limited and the Ontario Development Corporation, that company received in 1969 the amount of \$177,500 interest free as a forgivable loan for the construction of new buildings and equipment. One-tenth of the loan has been forgiven at the end of each of the first and second years following the date of the final advance, a further one-tenth will be forgiven at the end of each year until the end of the fifth year and the balance of the loan is to be forgiven at the end of the sixth year, provided the company has operated its business in a manner satisfactory to the Ontario Development Corporation and has continuously carried on the business of manufacturing wire and cable in Stouffville, Ontario.

9. Change in year end

In 1971 the financial year end of the Company and its affiliates was changed to December 25.

10. Depreciation and amortization

	Period December 26, 1971 to June 30, 1972	Period December 26, 1970 to June 30, 1971	Eleven Months Ended December 25, 1971	Years Ended January 31,		
				1971	1970	1969
(a) Consolidated and Combined Depreciation.....	\$140,691	\$ 91,082	\$168,684	\$194,406	\$146,623	\$ 83,364
Amortization of:						
(a) leasehold improvements.....	2,964	3,197	7,569	8,413	5,522	2,499
(b) pre-production costs.....	—	7,354	6,055	18,164	12,109	—
(c) deferred development costs (Note 5).....	14,609	14,609	28,676	—	—	—
(d) patents.....	3,029	2,941	5,305	5,882	5,882	5,882
(e) deferred financing costs.....	4,501	—	—	—	—	—
	<u>\$165,794</u>	<u>\$119,183</u>	<u>\$216,289</u>	<u>\$226,865</u>	<u>\$170,136</u>	<u>\$ 91,745</u>
 (b) Consolidated Depreciation.....	 \$120,117	 \$ 71,108	 \$132,050	 \$152,110	 \$104,432	 \$ 45,959
Amortization of:						
(a) leasehold improvements.....	2,272	2,539	6,365	7,073	4,629	2,499
(b) pre-production costs.....	—	7,354	6,055	18,164	12,109	—
(c) deferred development costs....	14,609	14,609	28,676	—	—	—
(d) patents.....	3,029	2,941	5,305	5,882	5,882	5,882
(e) deferred financing costs.....	4,501	—	—	—	—	—
	<u>\$144,528</u>	<u>\$ 98,551</u>	<u>\$178,451</u>	<u>\$183,229</u>	<u>\$127,052</u>	<u>\$ 54,340</u>

11. Extraordinary item

In the period ended June 30, 1972 the investment was written down by \$24,358 to its estimated market value of \$1,642.

12. Earnings per share

Earnings per share are based on the number of shares outstanding at June 30, 1972 after giving effect to the subdivision of issued common shares referred to in Note 7(c).

13. Commitments and contingencies

- (a) The total rentals paid for the period ended December 25, 1971 was \$84,000 under existing leases which are for various periods to 1980.
- (b) Under a supplemental executive pension plan established January 31, 1968, the Company is committed to make payments over the next seventeen years totalling approximately \$64,000 in respect of past service pension contributions.
- (c) Cable-Tech Wire Company Limited has entered into an agreement to purchase approximately ten acres of land for a total consideration of \$150,000.

- (d) Noma Realty Limited has entered into an agreement for the construction of an addition to its existing facilities for a total estimated cost of \$550,000 of which approximately \$226,000 had been expended at June 30, 1972. The company has renegotiated an existing mortgage and thereby obtained additional financing of \$741,520 (Note 2(c)).
- (e) There were letters of credit outstanding at June 30, 1972 of approximately \$360,000.
- (f) Outstanding purchase commitments for machinery and equipment amounted to approximately \$900,000 at June 30, 1972.
- (g) Subsequent to June 30, 1972, Beck Manufacturing, Inc. arranged a term bank loan in the amount of \$520,400. To September 15, 1972, \$102,126, Canadian funds, had been advanced. The amounts advanced and to be advanced from time to time will bear interest at $\frac{3}{4}$ of 1% above New York prime interest rate (maximum $9\frac{3}{4}$ %) and are repayable in United States dollars by instalments totalling \$104,000 per annum. Under the terms of this loan, Beck Manufacturing, Inc. will be required to keep on deposit in a security agreement account, an amount equal to 20% of the outstanding balance of the loan.

AUDITORS' REPORT

To the Directors

NOMA INDUSTRIES LIMITED

We have examined the consolidated balance sheet of Noma Industries Limited and its subsidiaries as at December 25, 1971, the consolidated and combined statement of earnings, and the consolidated statements of earnings, retained earnings and contributed surplus for the three years ended January 31, 1971, and the eleven months ended December 25, 1971. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion:

- (a) the accompanying consolidated balance sheet presents fairly the financial position of the companies as at December 25, 1971;
- (b) the accompanying consolidated and combined statement of earnings presents fairly the earnings of the companies for the three years ended January 31, 1971 and the eleven months ended December 25, 1971 on the basis set forth in Note 1(b);
- (c) the accompanying consolidated statements of earnings, retained earnings and contributed surplus present fairly the results of operations of the companies for the three years ended January 31, 1971, and the eleven months ended December 25, 1971;

all in accordance with generally accepted accounting principles applied on a consistent basis.

Toronto, Ontario
October 6, 1972

(Signed) TOUCHE ROSS & Co.
Chartered Accountants

PURCHASERS' STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

Sections 64 and 65 of The Securities Act (Alberta), sections 70 and 71 of The Securities Act, 1967 (Saskatchewan), sections 63 and 64 of The Securities Act (Manitoba) and sections 64 and 65 of The Securities Act (Ontario) provide, in effect, that where a security is offered in the course of distribution to the public:

- (a) a purchaser will not be bound by a contract for the purchase of such security if written or telegraphic notice of his intention not to be bound is received by the vendor or his agent not later than midnight on the second business day after the prospectus or amended prospectus offering such security is received or is deemed to be received by him or his agent, and
- (b) a purchaser has the right to rescind a contract for the purchase of such security, while still the owner thereof, if the prospectus or any amended prospectus offering such security contains an untrue statement of a material fact or omits to state a material fact necessary in order to make any statement therein not misleading in the light of the circumstances in which it was made, but no action to enforce this right can be commenced by a purchaser after the expiration of 90 days from the later of the date of such contract or the date on which such prospectus or amended prospectus is received or is deemed to be received by him or his agent.

Sections 61 and 62 of the Securities Act, 1967 (British Columbia) provide, in effect, that a purchaser has a right of rescission similar to that described in (b) above, and also that a purchaser has the right to rescind a contract for the purchase of a security, while still the owner thereof, if a copy of the last prospectus, together with financial statements and reports and summaries of reports relating to the securities as filed with the British Columbia Securities Commission, was not delivered to him or his agent prior to delivery to either of them of the written confirmation of the sale of the securities. Written notice of intention to commence an action for rescission must be served on the person who contracted to sell within 60 days of the date of delivery of the written confirmation, but no action shall be commenced after the expiration of three months from the date of service of such notice.

Reference is made to the said Acts for the complete text of the provisions under which the foregoing rights are conferred and the foregoing summary is subject to the express provisions thereof.

Dated: October 11, 1972

CERTIFICATE OF THE COMPANY

The foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by Part VII of the Securities Act, 1967 (British Columbia), by Part 7 of The Securities Act (Alberta), by Part VIII of The Securities Act, 1967 (Saskatchewan), by Part VII of The Securities Act (Manitoba), by Part VII of The Securities Act (Ontario), by Section 13 of the Securities Act (New Brunswick), under the Securities Act (Quebec) and by the respective regulations made thereunder.

(Signed) H. T. BECK
Chief Executive Officer

(Signed) R. KOEHLER
Chief Financial Officer

On Behalf of the Board of Directors

(Signed) THERESA BECK
Director

(Signed) D. RAFELMAN
Director

CERTIFICATE OF UNDERWRITER

To the best of our knowledge, information and belief, the foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by Part VII of the Securities Act, 1967 (British Columbia), by Part 7 of The Securities Act (Alberta), by Part VIII of The Securities Act, 1967 (Saskatchewan), by Part VII of The Securities Act (Manitoba), by Part VII of The Securities Act (Ontario), by Section 13 of the Securities Act (New Brunswick), under the Securities Act (Quebec) and by the respective regulations made thereunder.

MCLEOD, YOUNG, WEIR & COMPANY LIMITED

By: (Signed) R. M. GRILLS

The following includes the names of every person having an interest either directly or indirectly to the extent of not less than 5% in the capital of McLeod, Young, Weir & Company Limited: J. S. Dinnick, G. C. MacDonald, C. P. Keeley, L. E. Barlow, J. L. McLaughlin, A. T. L. Fraser, R. M. Grills, F. B. Farrill and A. S. Brooke.

SUBSIDIARY COMPANIES

Name	Date and Manner of Incorporation	CAPITAL		Percentage Owned by Company or Wholly-owned Subsidiary	Nature of Business
		Authorized	Issued		
Noma Lites Canada Limited	Letters Patent, Ontario February 7, 1931	400 common, par value \$100 each	400 common	100%	Manufacturer and distributor of indoor and outdoor Christmas light string sets and electrical ex- tension cords
Noma Displays Limited	Letters Patent, Ontario February 27, 1958	22,290 Class "A" preferred, par value \$1 each 1,000 Class "B" preferred, par value \$1 each 29,000 Class "C" preferred, par value \$1 each 10,000 common par value \$1 each	1,010 common	100%	Manufacturer of artificial Christ- mas trees
Noma Realty Limited	Letters Patent, Ontario June 24, 1966	35,000 Class "A" preferred, par value \$1 each 5,000 Class "B" preferred, par value \$.20 each 4,000 common without par value	100 common	100%	Owens the property at 375 Ken- nedy Road, Scarborough, On- tario, upon which the Company's principal manufacturing plant is now situated
Noël Lighting Limited	Letters Patent, Ontario July 6, 1949	30,000 preferred, par value \$1 each 10,000 common, par value \$1 each	3,000 common	100%	Inactive

APPENDIX (Continued)

Name	Date and Manner of Incorporation	CAPITAL		Percentage Owned by Company or Wholly-owned Subsidiary	Nature of Business
		Authorized	Issued		
Cable-Tech Wire Company Limited	Letters Patent, Ontario October 8, 1968	14,000 preferred, par value \$10 each		100% owned by Noma Lites Canada Limited	Manufacturer and distributor of flexible insulated wire and cable
		30,000 common, without par value	14,000 preferred 100 common		
Beck Manufacturing, Inc.	Articles of Incorporation, State of Connecticut February 24, 1971	10,000 common, without par value	100 common	80% owned	Manufacturer of Christmas light string sets
Minden Nominees Limited	Memorandum of Association, Hong Kong May 2, 1968	5,000 ordinary shares, par value \$1 each	5,000 ordinary	50% owned by Noma Lites Canada Limited	Acts as commission agent with respect to the importation of goods from the Far East

